

Ad hoc - Positive development continued in Q3, financing package shall strengthen equity base and liquidity position

Oberursel, 02nd June 2003 - In the third quarter (January to March) of the current financial year 2002/2003, Utimaco Safeware generated a positive EBITDA result of Euro 0.4 million (previous year: Euro -3.1 million) on revenues of Euro 6.0 million (previous year: Euro 5.6 million). In the first nine months of the current financial year, revenues amounted to Euro 19.1 million (previous year: Euro 22.2 million), with a positive EBITDA result of Euro 0.5 million (previous year: Euro -5.2 million). At the end of the reporting period, liquid assets amounted to Euro 2.7 million (June 2002: Euro 1.9 million).

In order to strengthen the company's equity base and liquidity position, the management board and supervisory board of Utimaco Safeware have agreed on a financing package with financial investor Investcorp Technology Ventures L.P. consisting of a capital increase and a convertible option bond. As part of the capital increase, the share capital shall be increased by up to Euro 6,227,243. New shares shall be offered to shareholders at a ratio of 1:1, with a subscription price of Euro 1.40 per share. New shares out of lapsed subscription rights will be subscribed to by Investcorp at the same subscription price, up to a maximum of 2,543,522 shares.

Furthermore, Utimaco Safeware shall grant a convertible option bond to Investcorp amounting to up to Euro 4.4 million, with attached option rights for the subscription of up to 2,434,317 shares. The maximum exercise period of the options is 8.5 years and the exercise price is increasing throughout the lifetime of the options from Euro 1.70 up to Euro 3.32 per share. The convertible option bond shall accrue an interest of 3.75% p.a.

Depending on the exercise of subscription rights by shareholders, the contractual arrangement with Investcorp guarantees proceeds of Euro 7.0 million up to Euro 13.2 million.

Shareholder approval required for the financing package shall be obtained in an extraordinary shareholders' meeting.

Utimaco Safeware AG is one of the leading European manufacturers of professional and certified IT security solutions. Utimaco Safeware develops and sells integrated security solutions based on established standards regulating mobile/desktop security and Internet security.